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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JOHN K. GRAHAM, as TRUSTEE of the
POST OFFICE SQUARE SPECIAL TRUST,

Plaintiff,

v.

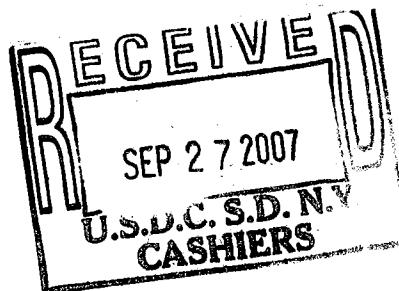
JOEL ROSENMAN, SOURCE FINANCING
INVESTORS LLC, MARTIN L. WATERS,
BRIAR WOOD INVESTMENTS LLC, and
NORMAN HSU,

Defendants.

JUDGE HAIGHT

07 CIV 8407

Case No.



INTERPLEADER COMPLAINT

Pursuant to 28 U.S.C. §1335, John K. Graham, as Trustee of the Post Office Square Special Trust (the "Trustee"), sets forth the following interpleader complaint:

Parties

1. Plaintiff Trustee is the trustee of the Post Office Square Special Trust (the "Trust"), which is located in Boston, Massachusetts.
2. On information and belief, defendant Joel Rosenman is an individual resident in the City of New York, in the State of New York.

3. On information and belief, defendant Source Financing Investors LLC is a limited liability company organized under the laws of the state of Delaware with offices located at 488 Madison Avenue, New York, New York 10022.

4. On information and belief, defendant Martin L. Waters is an individual resident at 488 Alta Vista Way, Laguna Beach, California 92651.

5. On information and belief, defendant Briar Wood Investments LLC is a limited liability company organized under the laws of the state of California with offices located at 428 Main Street, Huntington Beach, California 92648.

6. On information and belief, defendant Norman Hsu ("Hsu") is an individual resident or transacting business in the City of New York, within the State of New York.

Jurisdiction and Venue

7. This action is brought pursuant to 28 U.S.C. §1335 as a statutory interpleader action filed by an entity having in its custody or possession money or property of the value of \$500 or more as to which there are or are likely to be two or more adverse claimants, some or all of whom are named as defendants herein. Plaintiff has deposited the money or property in dispute with the registry of this Court, there to abide the judgment of the Court.

8. Venue is proper in this Court pursuant to 28 U.S.C. §1397 in that one or more of the claimants named as defendants herein resides in this judicial district.

Facts

9. The Trust has been created to dispose of \$50,000 in contributions received by the Edward M. Kennedy Center for the Study of the United States Senate (the "Center"). The Center is a non-profit corporation incorporated under the Non-Profit Corporation Act of the District of Columbia and duly qualified as a charitable and educational organization under Section

501(c)(3) of the Internal Revenue Code (the "Code"). The Center was set up to promote research and scholarly study of the United States Senate; to improve and increase public knowledge and scholarly study of the United States Senate; to improve and increase public knowledge and understanding regarding the history and function of the United States Senate; and to obtain, collect, and preserve documents and other information for such purposes. The Center raises funds and receives donations to carry out these purposes. The Center endeavors to assure itself that the sources of its funds are consistent with its mandate and purposes as a reputable charitable and educational organization qualified as such under Code Section 501(c)(3).

10. In 2005 and 2006, the Center received contributions from Hsu. The amount of such contributions totaled \$50,000 (the "Funds"). At the times of its receipt of the Funds, the Center was entirely unaware of any issues as to the donor's ownership of the Funds. Over the past several weeks, however, through various media reports, the Center became aware that Hsu is the subject of one or more fraud indictments and at least two separate private fraud actions and that numerous individuals are seeking the return of monies that they had allegedly entrusted to Hsu. Had it been aware of such circumstances at the times that the Funds were sought to be donated to it, the Center would not have accepted the donations. The Center therefore determined to divest itself of the Funds and established the Trust to do so.

11. Based on published reports, the Trustee understands that each of the named defendants has claimed or may claim ownership of, entitlement to, or other interest in the Funds. In addition, the Trustee understands that the United States Attorney's Office for the Southern District of New York may seek to marshal assets relating to Hsu. The Trustee has no basis for forming an independent opinion as to which of the actual or potentially competing claims to the Funds are meritorious and does not wish to be exposed to claims and/or liability based upon his

divestiture of the Funds. The Trustee is unaware as to whether there are outstanding court orders in proceedings commenced by or against any of the defendants that might potentially affect the disposition of the Funds and, given the numerosity of the potential claimants, this would not be an easy matter to track.

12. The Trust does not claim any interest in the Funds, but merely seeks to divest itself of the Funds consistent with law.

13. Simultaneously with the filing of this action, the Trustee has deposited a check for \$50,000, representing the Funds, into the registry of this Court.

WHEREFORE, the Trustee respectfully requests that this Court:

1. Adjudicate defendants' entitlement, if any, to the Funds;
2. Authorize the Trustee to divest the Trust of the Funds consistent with this Court's rulings;
3. Enjoin other actions against the Trustee or the Trust with respect to ownership of or entitlement to the Funds; and
4. Award the Trustee such other and further relief as the Court deems just and proper.

Dated: New York, New York
September 27, 2007

SULLIVAN & WORCESTER LLP

By


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